

Jennifer Brooks Hutchinson Senior Counsel

November 21, 2014

VIA HAND DELIVERY & ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk Rhode Island Public Utilities Commission 89 Jefferson Boulevard Warwick, RI 02888

RE: Docket 4527 – 2015 Energy Efficiency Program Plan Responses to Commission Data Requests – Set 2

Dear Ms. Massaro:

Enclosed are ten (10) copies of National Grid's¹ responses to the second set of data requests issued by the Rhode Island Public Utilities Commission on November 6, 2014 concerning the above-referenced matter.

Thank you for your attention to this filing. If you have any questions, please contact me at (401) 784-7288.

Very truly yours,

Jennifer Brooks Hutchinson

Enclosure

cc: Docket 4527 Service List Karen Lyons, Esq. Jon Hagopian, Esq. Steve Scialabba, Division

¹ The Narragansett Electric Company d/b/a National Grid (referred to herein as National Grid or Company).

Certificate of Service

I hereby certify that a copy of the cover letter and/or any materials accompanying this certificate wase electronically transmitted to the individuals listed below.

Copies of this filing were hand delivered to the RI Public Utilities Commission and to the RI Division of Public Utilities Carriers.

Joanne M. Scanlon

November 21, 2014 Date

Docket No. 4528 - National Grid - 2015 System Reliability Plan Service list updated 11/6/14

Name/Address	E-mail Distribution List	Phone
Jennifer Brooks Hutchinson, Esq.	Jennifer.hutchinson@nationalgrid.com	401-784-7288
National Grid	Joanne.scanlon@nationalgrid.com	
280 Melrose St.	Celia.obrien@nationalgrid.com	
Providence, RI 02907	Jeremy.newberger@nationalgrid.com	
	Lindsay.foley@nationalgrid.com	
	Timothy.roughan@nationalgrid.com	
Karen Lyons, Esq.	klyons@riag.ri.gov	
Dept. of Attorney General 150 South Main St.	dmacrae@riag.ri.gov	_
Providence, RI 02903	jmunoz@riag.ri.gov	
Jon Hagopian, Esq.	Jon.hagopian@dpuc.ri.gov	401-784-4775
Division of Public Utilities and Carriers	Al.mancini@dpuc.ri.gov	
	Al.contente@dpuc.ri.gov	
	Steve.scialabba@dpuc.ri.gov	
	Joseph.shilling@dpuc.ri.gov	
	john.spirito@dpuc.ri.gov	
Douglas Gablinske, Executive Director	doug@tecri.org	
The Energy Council of RI (TEC-RI)		
576 Metacom Avenue, Ste 8 A Rear		
Bristol, RI 02809		401 004 5150
R. Daniel Prentiss, P.C. (for EERMC) Prentiss Law Firm	dan@prentisslaw.com	401-824-5150
One Turks Head Place, Suite 380		
Providence, RI 02903		
S. Paul Ryan (for EERMC)	spryan@eplaw.necoxmail.com	

Mike Guerard, Optimal Energy	guerard@optenergy.com	
Jamie Howland	jhowland@env-ne.org	617-742-0054
Acadia Center f/k/a Environment Northeast		
101 Tremont St., Suite 401	aanthony@env-ne.org	
Boston, MA 02108		
Scudder Parker	sparker@veic.org	
VEIC		
Tim Woof	twoolf@synapse-energy.com	
Jennifer Kallay		
Synapse Energy Economics	jkallay@synapse-energy.com	
22 Pearl Street	<u> </u>	
Cambridge, MA 02139		
Original & 9 copies file w/:	Luly.massaro@puc.ri.gov	401-780-2107
Luly E. Massaro, Commission Clerk		
Public Utilities Commission	Amy.Dalessandro@puc.ri.gov	
89 Jefferson Blvd.	Todd.bianco@puc.ri.gov	
Warwick, RI 02888	Alan.nault@puc.ri.gov	
Marion S. Gold, OER	Marion.Gold@energy.ri.gov	
Christopher Kearns, OER	Christopher.Kearns@energy.ri.gov	
	Danny.Musher@energy.ri.go	
Nicholas Ucci, OER	Nicholas.Ucci@energy.ri.gov	
Larry Chretien, Executive Dir., ECANE &	larry@massenergy.org	
PPL		
Charles Harak	charak@nclc.org	617-542-8010
National Consumer Law Center	-	
7 Winthrop Square		
Boston, MA 02110		

<u>COMM 2-1</u>

Request:

For each of the last 10 years for electric and since inception for gas, please provide:

- a. Approved energy efficiency budgets
- b. Actual energy efficiency spending
- c. Incentive percentage
- d. Target Incentive
- e. Actual incentive earned
- f. The annual system benefit charge for each year
- g. The annual cost of the system benefit charge for each year for a 500 kWh/month residential customer and a 846 Therm/year residential customer

Response:

Please refer to Attachment COMM 2-1.

Rhode Island Energy Efficiency 2003 - 2015

Electric	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013 ⁽⁶⁾	2014 ⁽⁷⁾	2015 ⁽⁸⁾
Energy Efficiency Budget (\$Million) ¹	\$23.1	\$22.6	\$23.1	\$22.4	\$22.5	\$21.0	\$32.4	\$37.6	\$59.2	\$61.4	\$77.5	\$87.0	\$86.6
Spending Budget (\$Million) ²	\$16.3	\$15.8	\$17.6	\$16.5	\$16.4	\$14.7	\$23.5	\$28.8	\$45.3	\$55.3	\$64.8	\$80.6	\$77.4
Actual Expenditures (\$Million) ³	\$22.8	\$19.5	\$23.4	\$23.7	\$21.9	\$19.2	\$31.7	\$29.7	\$40.0	\$50.7	\$72.9	-	-
Incentive Percentage	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	4.4%	5.0%	5.0%	5.0%
Target Incentive	\$712,557	\$781,959	\$774,689	\$726,627	\$723,000	\$647,689	\$1,035,943	\$1,267,043	\$1,992,513	\$2,434,131	\$3,240,747	\$4,032,000	\$3,867,400
Earned Incentive	\$712,557	\$604,876	\$795,648	\$760,623	\$716,075	\$675,282	\$1,085,888	\$1,333,996	\$1,929,273	\$2,469,411	\$2,997,681	-	-
System Benefits Charge (\$/kWh) (9)	\$0.00200	\$0.00200	\$0.00200	\$0.00200	\$0.00200	\$0.00200	\$0.00320	\$0.00320	\$0.00526	\$0.00592	\$0.00876	\$0.00911	\$0.00953
Annual Cost to 500 kWh/month Residential Customer w/o tax (10)	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$12.00	\$19.20	\$19.20	\$31.56	\$35.52	\$52.56	\$54.66	\$57.18
Annual Cost to 500 kWh/month Residential Customer w/ tax (11)	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	\$12.50	\$20.00	\$20.00	\$32.88	\$37.00	\$54.75	\$56.94	\$59.56

Gas ⁴	2003	2004	2005	2006	2007 ⁽⁴⁾	2008	2009	2010	2011 ⁽⁵⁾	2012	2013 ⁽⁶⁾	2014 ⁽⁷⁾	2015 ⁽⁸⁾
Energy Efficiency Budget (\$Million) ¹	-	-	-	-	-	\$7.3	\$7.6	\$4.8	\$7.3	\$13.7	\$19.5	\$23.5	\$24.6
Spending Budget (\$Million) ²	-	-	-	-	-	\$6.6	\$6.1	\$4.5	\$6.2	\$12.9	\$17.9	\$21.8	\$22.4
Actual Expenditures (\$Million) ³	-	-	-	-	-	\$7.4	\$6.3	\$5.5	\$4.9	\$13.3	\$19.6	-	-
Incentive Percentage	-	-	-	-	-	4.4%	4.4%	4.4%	4.4%	4.4%	5.0%	5.0%	5.0%
Target Incentive	-	-	-	-	-	\$288,734	\$266,980	\$199,743	\$274,460	\$570,382	\$898,285	\$1,089,700	\$1,119,800
Earned Incentive	-	-	-	-	-	\$288,734	\$262,121	\$231,310	\$239,863	\$586,036	\$968,229	-	-
System Benefits Charge (\$/therm) - all non-exempt customers (12)	-	-	-	-	\$0.0071	\$0.0107	\$0.0150	\$0.0150	\$0.0411	\$0.0384	\$0.0417	-	-
Residential System Benefits Chare (\$/therm)	-	-	-	-	-	-	-	-	-	-	-	\$0.0600	\$0.0781
C&I System Benefits Charge (\$/therm)	-	-	-	-	-	-	-	-	-	-	-	\$0.0492	\$0.0637
Annual Cost to 846 Therm/year Residential Customer w/o tax (10)	-	-	-	-	\$6.04	\$9.05	\$12.69	\$12.69	\$18.28	\$32.49	\$35.28	\$50.76	\$66.07
Annual Cost to 846 Therm/year Residential Customer w/tax (11)	-	-	-	-	\$6.23	\$9.33	\$13.08	\$13.08	\$18.85	\$33.49	\$36.37	\$52.33	\$68.11

Notes:

(1) Energy Efficiency Budget includes total expenditures and commitments. Includes all demand side management program-related expenses, including rebates, administration and general expenses, evaluation, commitments for future years and Company incentive.

(2) Spending Budget includes Implementation and Evaluation Expenses; exluceds EERMC Costs, Commitments and Copays and Outside Finance Costs.

(3) Actual Expenditures is actual spend during calendar year. Includes expenditures and commitments. Includes all demand side management program-related expenses, including rebates, administration and general expenses, evaluation, commitments for future years and Company incentive.

(4) Gas programs began during July 2007 and were not reported on separately that year since programs were still in development. The 2007 gas programs are included in 2008 reporting. Systems Benefit Charge shown for 2007 is the weighted average of \$0.063 per decatherm from January 1, 2007 - June 30, 2007 and \$0.107 per decatherm from July 1, 2007 through December 31, 2008.

(5) On July 25, 2011 the Commission ordered that National Grid could increase the gas System Benefits Charge from \$0.15 to \$0.411 per decatherm for the period of August 1, 2011 through December 31, 2011. Annual cost represents 7 months usage (632 therms) at \$0.015 per therm and 5 months usage (214 therms) at \$0.0411 per therm.

(6) In the Company's gas and electric rate cases in docket 4323, the PUC approved the uncollectibles gross-up in the electric EE Program Charge effective February 1, 2013, and a new rate applicable to the gross-up of the gas EE Program Charge, effective February 1, 2013.

(7) 2014 values are planned.

(8) 2015 values are preliminary.

(9) Beginning in 2012, the EE Program Charge includes the System Reliability Factor.

(10) Reflects the annual cost excluding Gross Earnings Tax.

(11) Reflects the annual cost including Gross Earnings Tax.

(12) The Gas EE Program Charge was uniform for all customers until 2014, at which time the Company proposed and the PUC approved individual factors for the residential and C&I sectors.

<u>COMM 2-2</u>

Request:

EE Plan, Page 3. Please explain the reason for the electric and gas budget variances between the recently approved 3 year plan and the proposed 2015 annual plan.

Response:

The 2015 annual plan was planned at a detailed level, whereas the three-year plan was planned at a high-level that resulted in illustrative budgets. Using the detailed assumptions for program savings and budgets, updated evaluation results for several savings assumptions, and an updated sales forecast (electric only) resulted in minor variances in the electric and gas budgets.

<u>COMM 2-3</u>

Request:

Page 10 of the plan explains that the Company will report participation in 'net' terms to account for free-ridership and spillover. Are the number of participants reported in Tables E-7 and G-7 'net' participants?

Response:

Yes, the participants in Tables E-7 and G-7 are <u>planned</u> net participants. Please refer to the Company's response to COMM 1-3 for an explanation of how each program's net participants will be reported.

<u>COMM 2-4</u>

Request:

What new services, incentives, rebates, programs, etc. will be available to customers in 2015 under the EnergyWise Multifamily category that were not available in prior years?

Response:

While there are no new incentives or rebates for EnergyWise Multifamily customers scheduled for January 1, 2015, the Company will be offering new services and initiatives designed to help foster more participation and energy savings within the multi-family sector. These services include building energy benchmarking for a number of affordable, multi-family properties through the Company's benchmarking pilot initiative, and enhanced targeting and outreach to specific stakeholders groups, which include condo associations, community development corporations, and renters. In addition, increased funding to this sector will allow the Company to install more central high-efficiency heating systems for those buildings that heat with natural gas, directly benefiting more multifamily customers than in the past.

<u>COMM 2-5</u>

Request:

By year, how many customers have converted to natural gas since the inception of the natural gas conversion program?

Response:

Please see the table below for the data related to gas conversions through the gas marketing program that was launched in 2008 as part of Docket 3943. The Company would also like to clarify that Rhode Island Energy Efficiency Program funds are only used to rebate the incremental cost of premium efficiency heating equipment when customers opt to install that equipment at the time of conversion.

The Narragansett Electric Company d/b/a National Grid RIPUC Docket No. 4527 In Re: 2015 Energy Efficiency Program Plan Responses to Commission's Second Set of Data Requests Issued on November 6, 2014

Region	Fiscal Year (Apr thru Mar)	Res/Bus	Conv New (Heat)	Conv New (Non-heat)	Conv New- Total
RI	2009	Res	2,030	35	2,065
		Bus	247	32	279
		Total	2,277	67	2,344
	2010	Res	1,054	26	1,080
	2010	Bus	351	10	361
		Total	1,405	36	1,441
	2011	Res	861	30	891
		Bus	420	17	437
		Total	1,281	47	1,328
	2012	Res	1,439	16	1,455
	2012	Bus	396	34	430
		Total	1,835	<u> </u>	1,885
			··		
	2013	Res	2,057	65	2,122
		Bus	448	45	493
		Total	2,505	110	2,615
	0011	-	4 700		4.040
	2014	Res	1,763	50	1,813
		Bus	337	33	370
		Total	2,100	83	2,183
	2015 (7 mo)	Res	250	0	250
		Bus	59	21	80
		Total	309	21	330
	Crond Total	Poc	0.454	222	0.676
	Grand Total	Res	9,454		9,676
		Bus	2,258	192	2,450
		Total	11,712	414	12,126

<u>COMM 2-5, page 2</u>

<u>COMM 2-6</u>

Request:

Please provide the total per kWh charge to a 500 kWh/month residential customer for each of the company's US service territories as of November 1, 2014. Further, please breakdown the total per kWh cost by component (customer charge, distribution, transmission, transition, LIHEAP enhancement, energy efficiency, RES, standard offer, GET, etc.) showing both \$ per kWh and percent of total.

Response:

Please see Attachment COMM 2-6 for the total per kWh charge for a 500 kWh per month residential customer for each of National Grid USA's U.S. electric service territories, as well as the breakdown of total per kWh cost, by component.

National Grid - Rhode Island per kWh Analysis using rates as of November 1, 2014 Residential Customer - Rate Class A-16 - 500 kWh usage

The Narragansett Electric Company

The Natragansett Electric Company	¢ /l-XX/h wata	0/ of total
Distribution and Transmission	<u>\$/kWh rate</u>	<u>% of total</u>
Distribution		
	¢0.01000	5.78%
Customer Charge on per kWh basis	\$0.01000 \$0.03664	5.78% 21.16%
Base Distribution Charge	\$0.03664	21.10% 0.88%
Operations & Maintenance Exp Charge	\$0.00132	0.88%
Cap Ex Factor Charge		
Revenue Decoupling Mechanism Adjustment Factor	(\$0.00001)	
Pension/PBOP Factor	<u>\$0.00000</u>	<u>0.00%</u>
Distribution Subtotal	\$0.04821	27.84%
Transmission Charge	\$ <u>0.02221</u>	<u>12.83</u> %
Distribution and Transmission Subtotal	\$0.07042	40.67%
Transition Charge	\$0.00096	0.55%
LIHEAP Enhancement Charge on a per kWh basis	\$0.00146	0.84%
Energy Efficiency and Renewables		
Energy Efficiency Charge	\$0.00911	5.26%
Renewables Charge	\$ <u>0.00030</u>	<u>0.17</u> %
Energy Efficiency and Renewables Subtotal	\$0.00941	5.43%
Commodity		
Standard Offer Service Charge	\$0.07879	45.50%
Renewable Energy Standard Charge	\$ <u>0.00480</u>	<u>2.77</u> %
Commodity Subtotal	\$0.08359	48.28%
Other - Renewable Energy Distribution Charge		
Net Metering Charge	\$0.00000	0.00%
Long Term Contracting	\$ <u>0.00039</u>	<u>0.23%</u>
Other Renewable Energy Distribution Charge Subtotal	\$0.00039	0.23%
Gross Earnings Tax	\$ <u>0.00692</u>	<u>4.00%</u>
Total	\$0.17315	100%

National Grid - MA per kWh Analysis using rates as of November 1, 2014 Residential Customer - Rate Class R-1 - 500 kWh usage

Massachusetts Electric Company

Massachusetts Electric Company	<u>\$/kWh rate</u>	<u>% of total</u>
Distribution and Transmission	<u></u>	
Distribution		
Customer Charge on per kWh basis	\$0.00800	3.30%
Base Distribution Charge	\$0.02727	11.25%
CapEx Factor	\$0.00142	0.59%
Basic Service Adjustment	(\$0.00029)	-0.12%
Residential Assistance Adjustment Factor	\$0.00302	1.25%
Storm Recovery Adjustment Factor/Storm Fund Replenishment Factor	\$0.00266	1.10%
Pension/PBOP Factor	\$0.00208	0.86%
Revenue Decoupling Mechanism Adjustment Factor	\$0.00069	0.28%
Attorney General Consulting Expense Factor	\$0.00000	0.00%
Solar Cost Adjustment	\$0.00012	0.05%
Smart Grid Distribution Adjustment Factor	\$ <u>0.00004</u>	<u>0.02%</u>
Distribution Subtotal	\$0.04501	18.57%
Transmission Charge	\$ <u>0.02304</u>	<u>9.51</u> %
Distribution and Transmission Subtotal	\$0.06805	28.08%
Transition Charge	\$0.00106	0.44%
Energy Efficiency and Renewables		
Energy Efficiency Charge	\$0.01004	4.14%
Renewables Charge	\$ <u>0.00050</u>	0.21%
Energy Efficiency and Renewables Subtotal	\$0.01054	4.35%
Commodity		
Basic Service Charge (1)	\$ <u>0.16273</u>	<u>67.14%</u>
Commodity Subtotal	\$ <u>0.16273</u>	<u>67.14%</u>
Total	\$0.24238	100%

(1) Renewable Porfolio Standard Adder Included in Basic Service Charge

National Grid - New York per kWh Analysis using rates as of November 1, 2014 Residential Customer - Rate Class SC-1 - 500 kWh usage

Niagara Mohawk Power Corporation

Magara Monawk I ower Corporation	ф Л ТТ Л 4	0/ 6/ / 1
	<u>\$/kWh rate</u>	<u>% of total</u>
Distribution and Transmission	#0.02.100	24.20/
Fixed monthly customer charge	\$0.03400	24.3%
Transmission & Distribution Delivery charge	\$0.04611	32.9%
Revenue Decoupling Mechanism Annual	(\$0.00124)	
Transmission Revenue Adjustment Charge	(\$0.00421)	
Deferral credits owed to customers	(\$0.00114)	
Reliability Support Services	\$ <u>0.00132</u>	<u>0.9</u> %
Distribution and Transmission Subtotal	\$0.07484	53.5%
Legacy Transition Charge	(\$0.00104)	-0.7%
Energy Efficiency and Renewables		
System Benefits Charge including Energy Efficiency Portfolio Standard	\$0.00492	3.5%
Renewable Portfolio Surcharge	\$ <u>0.00332</u>	<u>2.4</u> %
Energy Efficiency and Renewables Subtotal	\$0.00824	5.9%
Commodity		
Forecast of supply charge for Zone C (Central)	\$0.04968	35.5%
Electricity Supply Reconciliation Mechanism	(\$0.00178)	-1.3%
Recovery of customer credits provided in Feb 2014 ESRM rates	\$0.00477	3.4%
Merchant Function Charge	\$ <u>0.00201</u>	1.4%
Commodity Subtotal	\$0.05468	39.1%
Other		
NYS Incremental State Assessment Charge	\$ <u>0.00026</u>	<u>0.2%</u>
Other Subtotal	\$0.00026	0.2%
Gross Receipts Tax		
Gross Receipts Tax -Delivery	\$0.00247	1.8%
Gross Receipts Tax -Commodity	\$ <u>0.00055</u>	<u>0.4%</u>
Gross Receipts Tax Subtotal	\$ <u>0.00302</u>	<u>2.2%</u>
Total	\$0.13999	100%

<u>COMM 2-7</u>

Request:

Please provide the total per therm charge to an 846 therm per year heating customer for each of the company's US service territories as of November 1, 2014. Further, please breakdown the total per therm cost by component (customer charge, distribution, LIHEAP enhancement, energy efficiency, cost of gas, GET, etc.) showing both \$ per therm and percent of total.

Response:

Please see Attachment COMM 2-7 for the total per them charge for a 846 therm per year residential heating customer for each of National Grid USA's U.S. gas service territories, as well as the breakdown of total per therm cost by component.

The Narragansett Electric Company d/b/a National Grid RIPUC Docket No. 4527 Attachment COMM 2-7 Page 1 of 3

National Grid - Rhode Island Per Therm Analysis Using Rates as of November 1, 2014 Residential Heating Customer - 846 Therm Usage

Line No. The Narragansett Electric Company

	The Mariagansete Electric Company			
		<u>\$/Th</u>	erm Rate	% of Total
1	Customer Charge	\$	0.1844	13%
2	Distribution Charges	\$	0.4510	32%
3	Cost of Gas	\$	0.6871	48%
4	Energy Efficiency	\$	0.0600	4%
5	Distribution Adjustment	\$	(0.0162)	-1%
6	LIHEAP	\$	0.0104	1%
7	Tax	\$	0.0426	3%
8	Total	\$	1.4192	100%

5 Distribution Adjustment includes Revenue Decoupling, Infrastructure, Safety and Reliability charge, and other delivery related surcharges/credits.

The Narragansett Electric Company d/b/a National Grid RIPUC Docket No. 4527 Attachment COMM 2-7 Page 2 of 3

National Grid - MA Per Therm Analysis Using Rates as of November 1, 2014 Residential Heating Customer - 846 Therm Usage

Line No. Boston Gas Company

ne 1 (0.	Doston Gus Company			
		<u>\$/T1</u>	nerm Rate	<u>% of Total</u>
1	Customer Charge	\$	0.1419	10%
2	Distribution	\$	0.4223	30%
3	Cost of Gas	\$	0.6917	49%
4	Energy Efficiency	\$	0.1002	7%
5	Distribution Adjustment	\$	0.0510	4%
6	LIHEAP			
7	Tax			
8	Total	\$	1.4071	100%
	Colonial Gas Company		_	
			nerm Rate	<u>% of Total</u>
9	Customer Charge	\$	0.1135	8%
10	Distribution	\$	0.4250	31%
11	Cost of Gas	\$	0.6881	50%
12	Energy Efficiency	\$	0.0998	7%
13	Distribution Adjustment	\$	0.0422	3%
14	LIHEAP			
15	Tax			
16	Total	\$	1.3686	100%

5, 13 Distribution Adjustment includes: Local Distribution Adjustment Factors (recovery of the Targeted Infrastructure Recovery factor, Pension, Low income Discount, Environmental cleanup, and Attorney General Expenses) and Revenue Decoupling Adjustment.

National Grid - NY Per Therm Analysis Using Rates as of November 1, 2014 Residential Heating Customer - 846 Therm Usage

Line No. KeySpan Gas East Corporation d/b/a National Grid (KEDLI)

		\$/Therm Rate	% of Total
1	Customer Charge	\$0.3125	22%
2	Distribution	\$0.5303	37%
3	Cost of Gas	\$0.4828	34%
4	Energy Efficiency	\$0.0207	1%
5	Distribution Adjustment	\$0.0515	4%
6	LIHEAP		
7	Tax	\$0.0238	2%
8	Total	\$1.4216	100%

The Brooklyn Union Gas Company d/b/a National Grid NY (KEDNY)

		<u>\$/Therm Rate</u>	<u>% of Total</u>
9	Customer Charge	\$0.3125	24%
10	Distribution	\$0.3752	29%
11	Cost of Gas	\$0.5066	40%
12	Energy Efficiency	\$0.0227	2%
13	Distribution Adjustment	\$0.0298	2%
14	LIHEAP		
15	Tax	\$0.0348	3%
16	Total	\$1.2815	100%

Niagara Mohawk Power Corporation d/b/a National Grid (NMPC)

		\$/Therm Rate	<u>% of Total</u>
17	Customer Charge	\$0.2887	31%
18	Distribution	\$0.2159	23%
19	Cost of Gas	\$0.4164	44%
20	Energy Efficiency	\$0.0237	3%
21	Distribution Adjustment	(\$0.0136)	-1%
22	LIHEAP		
23	Tax	\$0.0059	1%
24	Total	\$0.9370	100%

Keyspan Gas East's and Brooklyn Union Gas Company's Low Income Program offers reduced rates to qualifying residential heating and non-heating customers.

- 5, 13 Distribution Adjustment includes Revenue Decoupling and Site Remediation charges.
 - 17 Niagra Mohawk's Low Income Program is funded through a \$1.25 surcharge in the customer charge.
 - 21 Distribution Adjustment includes Revenue Decoupling, Research & Development and other delivery related surcharges/credits.

<u>COMM 2-8</u>

Request:

Attachment 2 to the filing states that National Grid "will provide support" to those municipalities that express interest in purchasing company owned street lighting. Please explain the nature of the support that will be offered and please quantify any financial incentives the company plans to offer.

Response:

To those municipalities who express interest in purchasing company owned street lighting, the Company will provide support by facilitating the transaction. One means of facilitation will be to present information regarding the purchase process and post-purchase customer responsibilities at the Annual Meeting of the League of Cities and Towns in January 2015. Other means may include providing information to towns to assist them with their bill analysis. It should be noted, however, that the Company is not offering any incentives to the towns associated with their purchase of company-owned lighting equipment.

<u>COMM 2-9</u>

Request:

Please explain the electric C&I carryover from 2014 of \$7.7 million (Table E-1).

Response:

The \$7.7 million C&I carryover is comprised of several elements: carryover funds from previous years different from those projected in the 2014 EE Program Plan, projected spend through year end, projected collections from the EE customer charge through year end, and projected subsidization of the Low Income sector at year end.

The primary contributor in the C&I fund balance is that it includes the \$4.2 million dollars in carryover funds that the Company did not project having when it filed the 2014 Plan. These were excess funds from the 2013 program year. As the Company stated in its filing of the Revised 2013 Year End Report, the settling parties agreed to use this carry over as funding sources for the 2015 Plan.

An additional factor in the C&I carryover is that at the time the 2015 Plan was developed, the C&I sector spend for 2014 was projected to be 97% of budget. That accounts for approximately \$1.7 million of the projected carryover.

A final factor is that customer collections from the EE customer charge are estimated to be consistent with the 2014 Plan among all sectors. Since the electric EE customer charge is designed as one charge for the various customer classes, collections among the sectors vary from the funding needs of the sectors. In the case of the projected year end 2014 fund balance, it is projected that the C&I sector will collect more funds than it will spend – this contributes to a higher fund balance relative to other sectors. On the other hand, the Income Eligible Sector collects fewer revenues from the EE customer charge than it spends because there are a small number of customers in that customer class. That is why a projected subsidization of the Income Eligible Sector (that occurs at year end) is included in the fund balance, as described in Table E-1, footnote 3.

<u>COMM 2-10</u>

Request:

The proposed plan explains that the company will begin a pilot in 2015 to provide energy reports to small and medium non-residential customers.

- a. Please provide a sample copy of the energy report
- b. Please provide the cost of the pilot

Response:

- a. The welcome letter and a sample of the energy report are attached as Attachments COMM 2-10-1 and PUC 2-10-2, respectively.
- b. The cost of the pilot is \$475,000. It is anticipated to last 18 months and will engage 8,000 Small Businesses.



HERE WITH YOU. HERE FOR YOU.

National Grid RI Business Energy Reports 40 Washington St. Suite 2000 Westborough, MA 01581-1088 The Narragansett Electric Company d/b/a National Grid RIPUC Docket No. 4527 Attachment COMM 2-10-1 Page 1 of 2

<MONTH xx, xxxx>

<FULLNAME> <ADDRESS_LINE_1> <ADDRESS_LINE_2> <ADDRESS_LINE_3> Turn over for a brief overview of your **Business Energy Report** and answers to frequently asked questions.

Dear <FULLNAME>,

At National Grid, we are focused on helping you reduce your energy use and energy spending. That's why you have been specially selected to participate in the Business Energy Report program.

In your reports, you will find:

- **Energy spending in context:** See your energy spending compared to that of similar businesses.
- Your energy use graphs: See how your business's energy use changes over time.
- Customized efficiency best practices: Learn how to save money on your energy bills.
- Access to online tools: Visit www.nationalgridus.com/RIEnergyReports to learn more about how to reduce energy waste.

Sincerely,

National Grid

Help us provide you the most useful, customized information.

Are you the person who monitors energy use and spending?

Attn: Jessica Bufford Toast Gastropub 7007 Three Chopt Rd Richmond, VA 23226 Is your business information correct and complete?

Toast Gastropub Type: New American/Bars Size: 2850 sq ft Acct # 123 456789-0

Not correct?

Update the person this is addressed to and your business profile by calling (866) 903-2811. These programs are funded by the energy efficiency charge on all customers' gas and electric bills, in accordance with Rhode Island law.

The Narragansett Electric Company d/b/a National Grid RIPUC Docket No. 4527 Attachment COMM 2-10-1 Page 2 of 2

Introducing your Business Energy Report



Frequently Asked Questions

Why does National Grid want me to reduce my energy use?

We're focused on reducing overall energy demand to keep costs low and provide a reliable energy service.

How will you help my business reduce energy use?

You will receive personalized energy reports to benchmark your use throughout the year. We will also provide insights on your energy use, and ways to spend less money.

Where can I learn more about how to reduce my energy use?

Visit www.nationalgridus.com/RIEnergyReports to see your full energy use history and learn about National Grid sponsored incentives and programs.

Here are three simple steps to get started:

- 1. Locate your account number in the upper-right corner of your report.
- 2. Using your full name and account number, log in at www.nationalgridus.com/RIEnergyReports
- 3. Explore the site to start reducing energy use and spending.

Our website gives you the power to save

Find ways to make smart energy choices at www.nationalgridus.com/RIEnergyReports.



Explore

your business's use patterns to see exactly how and when it uses energy.



Discover

the best ways to lower your business's use and create an energy savings plan.



Update

your business profile for even more personalized advice.



HERE WITH YOU. HERE FOR YOU.

National Grid RI Home Energy Reports 40 Washington St. Suite 2000 Westborough, MA 01581-1088

> Attn: Jessica Bufford Toast Gastropub 7007 Three Chopt Rd Richmond, VA 23226

Annual Energy Report

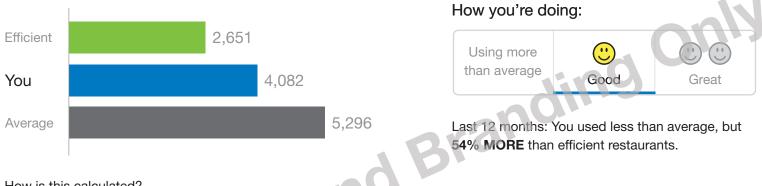
arragansett Electric Company	
/b/a National Grid	
C Docket No. 4527	
ent COMM 2-10-2	
Page 1 of 2	

Not correct? See back to update online.

> Not responsible for energy decisions? Pass this along to the person who is.

Your use compared to competitor restaurants

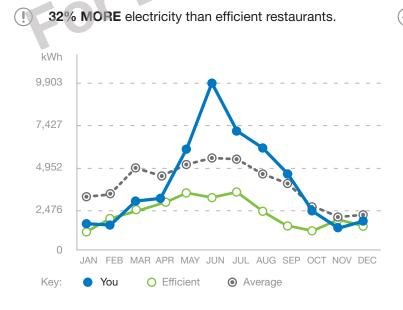
January 4, 2013 - January 4, 2014



How is this calculated?

Your energy use is compared to approx. 50 similar-sized New American restaurants/bars within 20 miles.

Electricity and natural gas breakdown



18% LESS natural gas than average restaurants.



Checklist: Best practices to start reducing your energy spending



Prepare for the next report

You'll receive reports like this one periodically, and the more you know about your restaurant's energy use, the more useful they'll be. Start by learning more about the equipment you use to heat and cool your restaurant.



Make a copy of this report for your management staff

Do you have a management staff that should also be seeing this report? It's important to make everyone aware of how energy efficiency can help strengthen your business.



Set thermostat to the appropriate temperature

To save on energy costs while keeping your restaurant comfortable, set your thermostat to 68°F in the winter and 76°F in the summer. For every degree you adjust your thermostat, you'll see sustained g onli energy savings that will help your bottom line.

Save up to \$255/year

Talk to your staff about turning cooking equipment off

The typical restaurant in our area uses about one-third of its energy on cooking. The actions of your staff can be a big part of this. Remind your staff that small actions, like turning off equipment that won't be used for a meal, can still have a positive impact on the business.

Save up to **\$180/year**

Complete your business profile online

The more we know about your business, the more useful the tips we provide can be. We'll be able to send you more relevant information in future reports. Fill in your business profile and explore more tips

at: www.nationalgridus.com/RIEnergyReports



Our website gives you the power to save

Dive deeper into your energy graphs and trends and find ways to make smart energy choices. Go to: www.nationalgridus.com/RIEnergyReports



Next report: March 2014

Learn how to reduce refrigeration costs.

Update your profile at www.nationalgridus.com/RIEnergyReports (866)-903-2811 | EnergyReportsRI@efi.org Printed on 30% post-consumer recycled paper. © 2012-2013 Opower